



Testimony of Matthew Netto, AARP Rhode Island  
**In support of House Bill 7551**  
House Judiciary Committee  
February 10, 2026

Chairwoman McEntee and members of the House Judiciary Committee:

AARP is a nonpartisan, social mission organization with 38 million members nationwide and nearly 125,000 members here in Rhode Island. We advocate on behalf of issues that impact older adults, and we appreciate the opportunity to offer our support for Speaker Pro Tempore Kennedy's House Bill 7551.

For most Rhode Islanders, their home is not just a structure. It is the place where they raised their children. It is the mortgage they paid for 30 years. It is the equity they are counting on for retirement. It is, quite literally, their life's work.

Now imagine waking up one day and learning that—on paper—you no longer own it.

No break-in.  
No warning.  
No phone call.

Just a forged signature and a recorded document quietly filed in the land records.

There is no automatic fraud alert. No text message. No red flag notification.

Unlike credit card fraud, which can be reversed in minutes, deed fraud can take months—or even years—to untangle in court. Victims often face thousands, sometimes tens of thousands of dollars in legal fees just to prove that their own home belongs to them.

Let that sink in: a homeowner having to prove they own the home they've lived in for decades.

Who is targeted?

Older adults.  
Widows and widowers.  
Residents who own their homes outright.  
People who have spent a lifetime paying off their mortgage.



Criminals specifically look for properties without liens because those homes represent pure equity—sometimes hundreds of thousands of dollars sitting in public record databases that are easily searchable online.

A home that is paid off is a symbol of stability to us.

To a criminal, it's an opportunity.

AARP is actively engaged in advocacy against deed fraud because this crime poses a serious threat to the financial security and stability of older Rhode Islanders, who are especially vulnerable due to high rates of homeownership and equity. Deed fraud occurs when criminals illegally transfer property ownership by filing forged documents, often without the homeowner's knowledge or consent. Older adults are targeted because they are more likely to own their homes outright, may have multiple properties, and sometimes are not living in or regularly monitoring their homes due to health or life changes. The consequences are devastating—victims can lose their homes, savings, and peace of mind, and the fraud often goes undetected for years.

On April 1<sup>st</sup> of 2025 the FBI Boston office published a release warning landowners and real estate agents to take action to protect themselves from deed fraud. In the release they state, "Known as quit claim deed fraud or home title theft, the schemes involve fraudsters who forge documents to record a phony transfer of property ownership. Criminals can then sell either the vacant land or home, take out a mortgage on it, or even rent it out to make a profit, forcing the real owners to head to court to reclaim their property." They go on to say that "Law enforcement and the FBI have been alerted to the fraud at all points in the process and have received reports involving a variety of fraudulent scenarios, including:

- Scammers who comb through public records to find vacant parcels of land and properties that don't have a mortgage or other lien and then impersonate the landowner, asking a real estate agent to list the property. Homeowners whose properties have been listed for sale don't know it until they're alerted, sometimes after the sales have gone through.
- Family members, often the elderly, targeted by their own relatives and close associates who convince them to transfer the property into their name for their own financial gain.
- Fraudsters known as "title pirates" who use fraudulent or forged deeds and other documents to convey title to a property. Often these scams go undetected until after the money has been wired to the scammer in the fraudulent sale and the sale has been recorded.

The release also highlights the FBI's Internet Crime Complaint Center (IC3) statistics on real estate fraud in New England. While the IC3 does not have specific statistics for quit claim deed fraud, it does fall into the real estate crime category. The statistics show that between 2019-2023 there were 224 victims of real estate fraud in Rhode Island. The losses totaled \$4,852,220. The FBI also notes that "the



reported losses are likely much higher due to the fact that many don't know where to report it, are embarrassed, or haven't yet realized they have been scammed.”<sup>1</sup>

Deed fraud is happening more often across the country and in response AARP, The American Land Title Association, Mortgage Bankers Association, National Association of Realtors, National Notary Association, and the Property Record Industry Association worked together to develop model legislation. Speaker Pro Tempore Kennedy's House Bill 7551 is largely based off this model legislation. Locally, AARP Rhode Island worked with Representative Kennedy, the Realtors Association, Mortgage Bankers, League of Cities and Towns, and the Secretary of State's office to amend the model legislation into a bill that will be effective in protecting the homes of Rhode Islanders.

House Bill 7551:

- Defines “suspicious documents,” “trusted submitters,” and “pattern of real estate title fraud.”
- Prohibits municipalities from accepting remote electronic filings without verified ID or trusted submitter status.
- Authorizes recorders to refuse suspicious documents and report them to law enforcement.
- Creates criminal penalties: up to 10 years and \$50,000 for a first offense; up to 20 years and \$100,000 for a fraud pattern.
- Provides a private right of action for victims to recover damages and attorney's fees.
- Requires every municipality to implement a free property alert notification system by January 1, 2028.
- Updates notarial law to allow refusal when identity proofing is inadequate.

### **Suspicious Real Property Documents Submitted for Recording**

Generally, the duties of a recording official are limited to reviewing a document to confirm it is the type of document eligible for recording under state law, that it is legible and meets required formatting and other criteria and contains the acknowledged signatures of the necessary parties. Recording officials are generally not responsible for the accuracy or authenticity of the document or signatures. House Bill 7551 would enable recording officials to reject documents from an entity other than a “Trusted Submitter” when they have suspicion of fraud. A “Trusted Submitter” is defined in the bill as a title insurer, title company or title/escrow agent, attorney licensed to practice in the state of Rhode Island, or a regulated financial institution.

In addition, the House Bill 7551 defines a “suspicious document” as a document submitted for recording for which the recorder has found any one of the following:

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<sup>1</sup> <https://www.fbi.gov/contact-us/field-offices/boston/news/fbi-boston-warns-quit-claim-deed-fraud-is-on-the-rise-> (4/1/2025)



- (i) The name or commission information of a notarial officer who has purported to acknowledge or verify the document does not match official records;
- (ii) The document purports not to be subject to the laws of the United States or this state;
- (iii) The document does not conform to recording standards established by other laws of this state, including chapter 30.1 of title 42; or
- (iv) The document has not been submitted for recording by a trusted submitter or an authorized representative of a trusted submitter and the document is materially false, fictitious, or fraudulent.

In one of these situations, the recorder may temporarily delay a document, report to appropriate law enforcement, or notify a notarial officer who has purported to acknowledge or verify a suspicious document.

#### **Increased Criminal Penalties for Deed Fraud**

While all states impose some degree of criminal liability for forgery or for knowingly recording false or fraudulent documents, these penalties should be reviewed to ensure they reflect the devastating effect of these crimes for victims.

House Bill 7551 proposes criminal penalties of up to 10 years imprisonment and a fine of up to \$50,000 for a first offense. The penalties increase to up to 20 years in prison and up to a \$100,000 fine for offenders that show a pattern of this type of fraud.

#### **Enhanced Civil Damages for Deed Fraud**

Victims of deed fraud should be able to obtain a judgment for compensatory damages, punitive damages, and attorneys' fees and costs against a person who forges a deed or mortgage, knowingly and willfully causes a forged deed or mortgage to be recorded, or knowingly and willfully sells or encumbers property based on an interest derived from a forged document.

House Bill 7551 allows for the owner to recover actual damages caused by the filing, entering, or recordings of such false or forged deed or \$5,000, whichever is greater. The bill also allows for the owner to recover costs incurred in bringing such action, including reasonable attorney fees.

#### **Free Property Recording Notification System**

Several states and local recording offices have adopted a system to notify property owners of any deed or lien recorded against their property. This allows the homeowner to take any necessary action to

challenge the fraudulent activity. The service is generally provided for free and is only offered to those homeowners who sign up with the municipality for the notification service.



Unlike credit card fraud, there is **no automatic alert system** when a deed is transferred. Victims often discover it months later — when:

- They try to sell or refinance
- They receive foreclosure notices
- Utilities are shut off
- Or strangers show up claiming ownership

House Bill 7551 requires all municipalities to establish a property alert notification system that allows a person to enroll by January 1, 2028. The bill would require the enrolled to be notified of the recording within 10 business days. The bill includes that a recorder or municipality shall not be held liable for a violation of this section.

For many older adults, home equity is not just wealth—it is their retirement cushion. It is how they plan to afford long-term care. It is what they intend to pass down to their children and grandchildren. When deed fraud strikes, it does not just threaten property. It threatens dignity, independence, and generational security.

AARP Rhode Island is prioritizing House Bill 7551 this legislative session because if passed, it will provide peace of mind to all Rhode Island homeowners. House bill 7551 enables municipalities to play a role in protecting their residents and gives law enforcement a way to bring these criminals to justice. We ask that you recommend passage. Thank you for your time and consideration.

Sincerely,

Matthew Netto  
Associate State Director-AARP Rhode Island

**Rhode Island towns that have a Property Alert Notification System:**

*(Town Clerk/application will send an email when a document is filed in your name for free, **but** you must sign up for this program it is not automatic)*

- [Portsmouth](#)
- [Lincoln](#)
- [West Greenwich](#)
- [Westerly](#)
- [Tiverton](#)
- [West Warwick](#)
- [Barrington](#)
- [Bristol](#)
- [Coventry](#)



- [Little Compton](#)
- [New Shoreham](#)
- [Smithfield](#)

# Little Compton land trust scammed for nearly \$500,000

**Little Compton Agricultural Conservancy Trust members, attorney conned by South African scammer over land sale on John Dyer Road**

**Members of the Little Compton Agricultural Conservancy Trust at a meeting in early February, about a month before they closed on the fraudulent land deal.**

RICHARD W. DIONNE JR.



Posted Tuesday, December 12, 2023 11:22 am

“

*Yes, we got fooled, and that's embarrassing.”*

— BILL RICHMOND, LITTLE COMPTON AGRICULTURAL CONSERVANCY LAND TRUST

“

*Part of what people have a really hard time believing is that a town board could be swindled when you've got two parties being represented by attorneys. It's beyond belief.”*

ED BOWEN

“

*You had an obligation. Show me where you publicly came out and said the trust got swindled.”*

SID WORDELL

### **By Ruth Rasmussen**

A South African con artist is nearly half a million dollars richer after taking the [Little Compton Agricultural Conservancy Trust](#) for \$499,900 earlier this year. How'd he or she do it? By selling the trust a 31-acre tract of land owned by someone else entirely.

Trust board members held an extraordinary meeting last Wednesday, Dec. 6, to defend themselves, and clear the air, over the scam that cost the trust — and ultimately, the trust's insurer — approximately \$400,000.

Releasing months of closed session notes and paperwork they had previously kept private — but which have since been removed from the trust's website due to some sensitive information that had not been redacted — trust members said they wanted to clear the air in what chairman Bill Richmond acknowledged was an embarrassing situation. And they wanted to respond to critics' complaints about a supposed lack of transparency.

“Yes, we got fooled, and that’s embarrassing,” Richmond said Wednesday evening.

Still, he said, the trust did its due diligence and believed it was acting in the town’s best interests.

### **What happened?**

Since it was established nearly 40 years ago, the trust has purchased or otherwise helped to preserve scores of bucolic properties across Little Compton, from farms to large swaths of undeveloped and forested land. On that front, it has been extraordinarily successful.

Trust members thought they had a line on another significant parcel last December, when they spotted a Real Estate advertisement posted by Residential Properties on behalf of what was purported to be the seller of a 31-acre tract at 164 John Dyer Road. Though the town’s tax records indicate the property is owned by Florida resident Beverly Joy Anarumo, and trust officials thought they were corresponding with her agents as they explored the purchase, they didn’t yet know that she had nothing to do with it.

Two days before Christmas 2022, trust officials signed a letter of intent to purchase the property, as well as a purchase and sales agreement. In a [summation of events](#) surrounding the purchase, trust members wrote that since the “seller” was a foreign national from South Africa, attorneys for the seller and trust went through a variety of withholding and verification processes that needed to be completed before the deal could be consummated. All were completed successfully, and nothing appeared to be amiss.

“All required steps were followed, including obtaining an affidavit signed by the seller being procured from the United States Embassy in Johannesburg,” the trust wrote.

Trustees ultimately closed on the property on Tuesday, March 7, and funds minus fees and other associated costs were wired to South Africa.

It didn’t take long for the lie to unravel.

Though they didn't explain how and exactly when the truth came out, trust members wrote that after the closing, "it was learned that Ms. Annarumo (sic) did not live in Johannesburg but rather in Florida."

Trust officials spoke with her and she confirmed that she had not listed the property and had not sold it.

Though most of the money was already in South Africa, some of the funds had been withheld and were recovered shortly thereafter. As for the balance, the trust filed an insurance claim with its underwriter, Commonwealth Title, and the trust was repaid approximately \$400,000 in August.

### **"It's beyond belief"**

Though trust members never spoke publicly about the swindle prior to last week, word got out. On Wednesday, the trust's seven-member board responded to a barrage of questions from residents, many of whom seemed incredulous that a scam of such magnitude could occur in Little Compton.

"Part of what people have a really hard time believing is that a town board could be swindled when you've got two parties being represented by attorneys," said resident Ed Bowen. "It's beyond belief."

Trustee Ned Levine acknowledged the enormity of the issue, and the board's reliance on professionals: "Two lawyers and two realtors and the title insurance company represented it was real," he said.

Richmond added that fraudulent transactions involving real estate are not uncommon, and said that the trust received much of the money back.

But speakers weren't finished. Critics also slammed the board for what they implied was a deliberate effort to keep the public in the dark, since discussions regarding the John Dyer Road transactions occurred in non-public sessions and the minutes from those meetings were routinely sealed.

"You had an obligation," said resident Sid Wordell. "Show me where you publicly came out and said the trust got swindled."

In response, trustees posted 174 pages of documents associated with the sale to its website. While they have since been removed, unsealed minutes from 11 executive session meetings held between 2021 and 2023 were also uploaded to the Secretary of State's website.

None of the minutes recently unsealed shed significant new light on the fraudulent real estate transaction. Only three sets of minutes — from June 7, Aug. 2, and Nov. 1 — refer to Anarumo's stolen identity and problems with the initial real estate deal.

Some at Wednesday's meeting, such as Little Compton resident Peter Aldrich, defended the trust, saying the community is lucky to have trustees who volunteer their time in unpaid positions.

"I read that the Beverly Anarumo property [transactions] are difficult to understand, and a lot of things happen quickly, but I think it was the right thing to do."

### **Trust buys land, after all**

Though they were scammed the first time around, the Little Compton Agricultural Conservancy Trust ultimately achieved its goal of acquiring the property at 164 John Dyer Road, [purchasing it in August for \\$750,000](#).

In June, the brother of Beverly Anarumo reached out to trustee Ned Levine and wrote that his sister would entertain selling the property to the trust if they were interested. They were and in late August, through a temporary "tenants in common" arrangement between the trust and Little Compton developer Dennis Talbot, the property was legitimately purchased from Anarumo for her asking price.

The trust and Talbot eventually received Little Compton Planning Board approval to subdivide the property, after which they exchanged deeds that relinquished any claim to the other's parcel. The trust, which paid \$550,000, now owns 26 acres near the Westport state line that will be conserved. Talbot, who told the board the property may be suitable for affordable housing, paid \$200,000 and owns 4.9 acres.

At a town council meeting in September, Patrick Bowen, chairman of Little Compton Housing Trust, told councilors that the trust had received a \$200,000 state grant that will allow it to purchase the property from Talbot for the purpose of building four single-family homes that will be designated as affordable housing.

Though the sale was successful, residents at last week's trust meeting said the trust could have been more transparent in purchasing the property with

Talbot. Specifically, resident Sid Wordell said the trust erred by partnering with him before determining if other parties might have an interest in the parcel he acquired.

In a written statement board members wrote that “the circumstances of the Anarumo purchase were uniquely suited to diverting some of the property to affordable housing development, but there was a [seller-imposed] time constraint. Given his earlier expressed interest and his willingness and ability to quickly put up his own money to participate, once Mr. Talbot said yes, the trustees stopped looking for alternatives.”

“The trustees are proud of the results represented in the Anarumo acquisition and believe it represents positive progress for the town in multiple areas. As the same time, we recognize it was done under highly unusual circumstances, not likely to be repeated and certainly open to improvement.”

— *With reports by Ted Hayes*

**FBI Boston**  
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April 1, 2025

# **FBI Boston Warns Quit Claim Deed Fraud is on the Rise**

## **Landowners and Real Estate Agents Urged to Take Action to Protect Themselves**

The Boston Division of the Federal Bureau of Investigation (FBI) is warning property owners and real estate agents about a steady increase in reports of quit claim deed fraud it has received—scams that have resulted in devastating consequences for unsuspecting owners who had no idea their land was sold, or was in the process of being sold, right out from under them.

Known as quit claim deed fraud or home title theft, the schemes involve fraudsters who forge documents to record a phony transfer of property ownership. Criminals can then sell either the vacant land or home, take out a mortgage on it, or even rent it out to make a profit, forcing the real owners to head to court to reclaim their property.

Deed fraud often involves identity theft where criminals will use personal information gleaned from the internet or elsewhere to assume your identity or claim to represent you to steal your property.

“Folks across the region are having their roots literally pulled out from under them and are being left with no place to call home. They’re suffering deeply personal losses that have inflicted a significant financial and emotional toll, including shock, anger, and even embarrassment,” said Jodi Cohen, special agent in charge of the FBI Boston Division. “We are urging the public to heed this warning and to take proactive steps to avoid losing your property. Anyone who is a victim of this type of fraud should report it to us.”

Law enforcement and the FBI have been alerted to the fraud at all points in the process and have received reports involving a variety of fraudulent scenarios, including:

- Scammers who comb through public records to find vacant parcels of land and properties that don't have a mortgage or other lien and then impersonate the landowner, asking a real estate agent to list the property. Homeowners whose properties have been listed for sale don't know it until they're alerted, sometimes after the sales have gone through.
- Family members, often the elderly, targeted by their own relatives and close associates who convince them to transfer the property into their name for their own financial gain.
- Fraudsters known as "title pirates" who use fraudulent or forged deeds and other documents to convey title to a property. Often these scams go undetected until after the money has been wired to the scammer in the fraudulent sale and the sale has been recorded.

The FBI's Internet Crime Complaint Center (IC3), which provides the public with a means of reporting internet-facilitated crimes, does not have specific statistics solely for quit claim deed fraud, but it does fall into the real estate crime category. Nationwide, from 2019 through 2023, 58,141 victims reported \$1.3 billion in losses relating to real estate fraud. Here in the Boston Division—which includes all of Maine, Massachusetts, New Hampshire, and Rhode Island—during the same period, 2,301 victims reported losing more than \$61.5 million.

- 262 victims in Maine lost \$6,253,008.
- 1,576 victims in Massachusetts lost \$46,269,818.
- 239 victims in New Hampshire lost \$4,144,467.
- 224 victims in Rhode Island lost \$4,852,220.

The reported losses are most likely much higher due to that fact that many don't know where to report it, are embarrassed, or haven't yet realized they have been scammed.

FBI Boston is working with property owners, realtors, county registers, title companies, and insurance companies to thwart the fraud schemes but it's no easy task. The COVID-19 pandemic changed the way business was and continues to be conducted. More and more people have grown

accustomed to conducting real estate transactions through email and over the phone. The remote nature of these sales is a benefit to bad actors.

### **Tips for Landowners:**

- Continually monitor online property records and set up title alerts with the county clerk's office (if possible).
- Set up online search alerts for your property.
- Drive by the property or have a management company periodically check it.
- Ask your neighbors to notify you if they see anything suspicious.
- Beware of anyone using encrypted applications to conduct real estate transactions.
- Take action if you stop receiving your water or property tax bills, or if utility bills on vacant properties suddenly increase.

### **Tips for Realtors:**

- Avoid remote closings, if possible.
- Ask for in-person identity checks.
- Request copies of documents that only the property owner would have. This includes a copy of the most recent tax bill, utility bill, or survey from when the property was purchased, in addition to the individual's ID.
- Send a certified letter to the address of record on the tax bill.
- Look up the phone number by reverse search or through the phone carrier.
- Call to verify the public notary and confirm he/she attested to the documents.

The FBI can work with our partners to try to stop wire transfers and recover the funds within the first 72 hours. We urge folks to report fraud and suspected fraud to the FBI's Internet Crime Complaint Center at [www.ic3.gov](http://www.ic3.gov).